

**MISSOURI STATE AUDITOR'S OFFICE
FISCAL NOTE (22-058)**

Subject

Initiative petition from Andrew Brain regarding a proposed constitutional amendment to Article VIII. (Received August 26, 2021)

Date

September 15, 2021

Description

This proposal would amend Article VIII of the Missouri Constitution.

The amendment is to be voted on in November 2022.

Public comments and other input

The State Auditor's office requested input from the **Attorney General's office**, the **Department of Agriculture**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Commerce and Insurance**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety**, the **Department of Social Services**, the **Governor's office**, the **Missouri House of Representatives**, the **Department of Conservation**, the **Department of Transportation**, the **Office of Administration**, the **Office of State Courts Administrator**, the **Missouri Senate**, the **Secretary of State's office**, the **Office of the State Public Defender**, the **State Treasurer's office**, **Adair County**, **Boone County**, **Callaway County**, **Cass County**, **Clay County**, **Cole County**, **Greene County**, **Jackson County**, **Jasper County**, **St. Charles County**, **St. Louis County**, **Taney County**, the **City of Cape Girardeau**, the **City of Columbia**, the **City of Jefferson**, the **City of Joplin**, the **City of Kansas City**, the **City of Kirksville**, the **City of Mexico**, the **City of Raymore**, the **City of St. Joseph**, the **City of St. Louis**, the **City of Springfield**, the **City of Union**, the **City of Wentzville**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **Malta Bend R-V School District**, **Mehlville School District**, **Wellsville-Middletown R-1 School District**, **State Technical College of Missouri**, **Metropolitan Community College**, **University of Missouri**, **St. Louis Community College**, the **St. Louis County Board of Elections**, the **Board of Election Commissioners City of St. Louis**, the **Kansas City Board of Election Commissioners**, the **Platte County Board of Elections**, the **Jackson County Election Board**, and the **Clay County Board of Election Commissioners**.

Chris Raleigh, Director of Campaigns and Advocacy, The Center for Election Science provided information to the State Auditor's office.

Assumptions

Officials from the **Attorney General's office** indicated they expect that, to the extent that the enactment of this proposal would result in increased litigation, they expect that their office could absorb the costs associated with that increased litigation using existing resources. However, if the enactment of this proposal were to result in substantial additional litigation, they may be required to request additional appropriations.

Officials from the **Department of Agriculture** indicated this initiative petition has no fiscal impact on their department.

Officials from the **Department of Economic Development** indicated no impact to their department.

Officials from the **Department of Elementary and Secondary Education** indicated no impact to their department.

Officials from the **Department of Higher Education and Workforce Development** indicated no impact to their department.

Officials from the **Department of Health and Senior Services** indicated this initiative petition has no impact on their department.

Officials from the **Department of Commerce and Insurance** indicated this petition, if passed, will have no cost or savings to their department.

Officials from the **Department of Mental Health** indicated this proposal creates no direct obligations or requirements to their department that would result in a fiscal impact.

Officials from the **Department of Natural Resources** indicated they would not anticipate a direct fiscal impact from this proposal.

Officials from the **Department of Corrections** indicated no fiscal impact.

Officials from the **Department of Labor and Industrial Relations** indicated they anticipate no fiscal impact for this initiative petition proposing to amend Article VIII, with their assumption that the initiative petition only relates to general and primary elections.

Officials from the **Department of Revenue** indicated no impact.

Officials from the **Department of Public Safety - Office of the Director** indicated no impact for their department, Director's Office.

Officials from the **Department of Social Services** indicated this will have no fiscal impact for their department.

Officials from the **Governor's office** indicated this proposal addresses numerous election topics including testing/certification of election machines and alternative voting systems. This proposal relating to elections should not fiscally impact their office.

Officials from the **Missouri House of Representatives** indicated no fiscal impact.

Officials from the **Department of Conservation** indicated there is no anticipated fiscal impact (cost or savings) to their department associated with this proposal.

Officials from the **Department of Transportation** indicated this initiative petition will not have a fiscal impact to their department/Missouri Highways and Transportation Commission.

Officials from the **Office of Administration** indicated this proposal addresses numerous election topics including testing and certification of election machines and alternative voting systems. The proposal does not carry a financial impact for their office.

Officials from the **Office of State Courts Administrator** indicated there is no fiscal impact on the courts.

Officials from the **Missouri Senate** indicated they anticipate no fiscal impact.

Officials from the **Secretary of State's office** indicated this ballot measure would alter the method of elections for most partisan public offices in Missouri.

Under the current model, each party runs candidates on its own ticket, with the top vote-getter from each party advancing to the general election, joined by any independent or write-in candidates. The proposed measure would instead have candidates of all parties as well as write-ins appear on one primary ticket (independent candidates are not suitably addressed, but they assume they would follow suit), with the four highest vote-getters advancing to the general election. Such general election would then be conducted using the approval voting system, with voters allowed to cast votes for as many candidates as they approve of.

There are three potential areas of expense which could be incurred in implementing this measure: ballot production costs, the required public education campaign, and reprogramming of the state election management system. The state may be required to pay any or all of these costs under Article X, Section 21 of the Missouri Constitution.

It is anticipated that if an open primary system is put in place, local election authorities (LEAs) could expect some election cost savings due to the reduced number of ballot styles (though these savings could be lessened or overshadowed by an increased cost for printing larger individual ballots). Since the state shares proportional costs for primary elections,

any costs or savings by the LEAs will be shared to a lesser degree by the state in odd-numbered fiscal years. However, due to the scope of the changes that would be involved in instituting this system, the amount of costs or savings to the state is considered to be unknown at this time.

This measure would require their office to conduct a voter education campaign to familiarize voters with the approval voting system. The precise cost of such a campaign would vary depending on strategic decisions and appropriation by the General Assembly. A statewide educational campaign is estimated to reach or exceed \$2,000,000 beginning in fiscal year (FY) 2024.

Finally, the Missouri Centralized Voter Registration program (MCVR) may need to be modified to accept votes cast using the approval voting system. This may require programming resources to be devoted beyond those covered under the normal maintenance and upkeep contracts. The cost of such additional resources is unknown.

Each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Referendums are submitted to the people at the next general election. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people. If a special election is called to submit a Referendum to a vote of the people, Section 115.063.2 RSMo. requires the state to pay the costs. The cost of the special election has been estimated to be \$7 million based on the cost of the 2020 Presidential Preference Primary.

Their office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

In FY19, over \$5.8 million was spent to publish the full text of the measures for the August and November elections. They estimate \$75,000 per page for the costs of publications based on the actual cost incurred for the one referendum that was on the August 2018 ballot.

Their office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, they reserve the right to request funding to meet the cost of their publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Officials from the **Office of the State Public Defender** indicated this initiative petition will have no fiscal impact on their office.

Officials from the **State Treasurer's office** indicated no fiscal impact to their office.

Officials from **Clay County** indicated they estimate the following costs as a result of this initiative petition:

- ~\$50,000 **onetime** software expense to update both primary and general election ballots in Sections 26-27
- ~\$25,000 each primary election to print each paper record under 24.2
- ~\$25,000 each general election to print each paper record under 24.2
- ~\$5,000 each primary election for poll workers to assist with voter inspection of records under 24.2
- ~\$10,000 each general election for poll workers to assist with voter inspection of records under 24.2
- ~5,000 in **onetime** training costs for workers
- ~\$10,000 in **onetime** voter education costs under Section 26.5

In sum, ~\$65,000 in onetime costs and ~\$65,000 in recurring costs every even election year (both primary and general).

Officials from **Greene County** indicated it has been determined there will be costs to their county in the provisions of Section 26 and Section 27.

The estimated costs for Section 26 and Section 27 are itemized as follows:

Section 26 - Voter Education Cost Estimate (one-time costs):

<u>Mail Two Educational Pieces to Registered Voter Households</u> -	\$65,000
<u>Radio and Television Education Messaging</u> -	\$15,000
Estimate Total: -	\$80,000

Section 27 – Sample Vacancy Elections for Potential Cost Estimate:

<u>State Representative Vacancy Election</u> – 16 Polling Locations for House District 135-	\$70,000
<u>Countywide Vacancy Election</u> – 80 polling locations -	\$357,141
<u>County Commission District Election</u> – 40 polling locations -	\$260,062

Each of the above estimates are independent costs of each other and therefore cannot be added together as one figure for the estimate. It is possible that the costs could be shared with other items on the same ballot.

Officials from the **City of Kansas City** indicated this petition would have no fiscal impact on their city.

Officials from **Metropolitan Community College** indicated no fiscal impact to their college.

Officials from the **St. Louis County Board of Elections** indicated they estimate this would have a one-time cost of \$100,000 for a voter education campaign.

Officials from the **Board of Election Commissioners City of St. Louis** indicated this petition would have no fiscal impact on their local government entity.

Officials from the **Kansas City Board of Election Commissioners** indicated there are many costs associated with this amendment. They are described below:

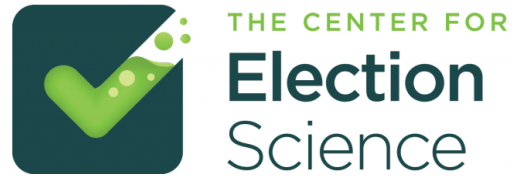
- 1) Petitions must be checked. Staff overtime and additional temporary staff expenses may be incurred at an estimated cost of \$15,000 to \$40,000.
- 2) An election in the Kansas City portion of Jackson County costs roughly \$625,000. This cost will be prorated among all the entities that participate in that election, based on voter registration.
- 3) To supplement the SOS's public education, public notices would need to be sent to all voters or published in newspapers at an estimated cost of \$25,000 to \$100,000 to provide detailed information of the new process.
- 4) Election day judge and staff training would be estimated at \$35,000.
- 5) If this proposed amendment becomes law, then their computers used for tabulation would have to be sent back to the vendor and the hardware wiped clean and the new software would be installed for \$15,000. The software for the ballot marking devices must be upgraded and installed by the vendor. Cost is estimated between \$25,000 to \$50,000.
- 6) Additional security required for election night and days after the elections through certification due to the unrest that will be caused by the lack of understanding of new voting procedures. Estimated cost \$25,000.

Officials from the **Platte County Board of Elections** indicated there should be no fiscal impact to their Board of Elections from this proposed amendment.

Officials from the **Jackson County Election Board** indicated their software can handle programming for the initiative petition language. They estimate a cost of \$50,000 for

mailings to the voters for voter education and a possible additional cost if the ballot becomes a three page ballot, which would necessitate extra judge training of \$20,000 and an additional \$63,000 for ballot printing.

Chris Raleigh, Director of Campaigns and Advocacy, The Center for Election Science provided the following information:



TO: Auditor Galloway
DATE: 9/2/2021
FROM: The Center for Election Science
Chris Raleigh, Director of Campaigns & Advocacy
RE: Fiscal Impact of Initiative Petition 2022-058

Dear Auditor Galloway,

We are writing on behalf of the Center for Election Science regarding the estimated fiscal impact of initiative petition 2022-058, which would bring top-4 open primaries and approval voting to Missouri elections. [The Center for Election Science](#) is a 501(c)(3) nonprofit organization focused on education, implementation, and organizing on behalf of approval voting initiatives on a national scale. Constitutional revision commissions, legislators, policymakers, and other key stakeholders at every level of government regularly rely on our expertise in the area of voting methods generally, and on the topic of approval voting specifically.

We are well-versed in the costs associated with electoral reform in Missouri. That is because, from 2019 to 2021, we partnered with a coalition to implement approval voting for the first time in state history in the City of St. Louis. Previously, St. Louis often elected leaders with less than 40% of the vote in the party primary, and no competitive general election. This left politicians with no mandate to govern, giving special interests greater ability to wield undue influence in city politics. To end this, the coalition led a community-wide listening and policymaking process that resulted in the formation of Proposition D. With Prop D, St. Louisans sought to move the city to open municipal primaries, using approval voting, where the top two vote-getters would move to the general election. In November 2020, Prop D passed with an overwhelming 68% support. With that new system in place, in March of 2021, the City St. Louis held the first approval voting election in Missouri history.

The City of St. Louis saw that the adoption of approval voting added \$0 to the regular election implementation costs. Essentially, it cost the same to run as any previous city election. That is because approval voting is compatible with all existing machines in each of the 116 election authorities in Missouri. Approval voting uses the same mechanism as many school boards where you can vote for multiple candidates, so the software is also widely used in current election authorities.

For example, today in many places in Missouri voters can "Vote for Two" when two seats are open. These are called bloc plurality elections. To turn a plurality election into an approval voting election, administrators would simply adjust the machines to allow voters to vote for as many as they wish, count the votes, and select the winner(s) with the most votes.

Based on this analysis, the fiscal impact of initiative 2022-058 for purchasing approval voting capable equipment will be \$0. The only associated costs would be for discretionary education, which varies from locale to locale. According to the Board of Election Commissioners for the City of St. Louis, they spent between \$0-\$1,000 on additional voter education for the March 2021 election. Again, they spent the same as they usually spend. That's because they simply adjusted the posters and other educational materials that would normally be printed. We encourage you to contact the Board of Election Commissioners for the City of St. Louis, as they will be able to provide you with even more precise information regarding the final cost of voter education.

Voter education costs are completely up to the discretion of each locale implementing approval voting. When thinking about what voter education cost may be in Missouri, it's worth considering a few elements. First, approval voting already exists in Missouri in St. Louis, and similar methods like bloc plurality (re: school board) are commonplace to voters throughout the state. Second, approval voting is the simplest and most intuitive alternative voting method being considered broadly today in the U.S. It's just easier for voters to grasp than other ways of voting being proposed. Finally, it's reasonable to believe that if election officials feel that additional voter education is needed due to implementation of approval voting, that it could be easily integrated into their regular voter education programming with little to no fiscal impact.

Auditor Galloway, thank you for your consideration of this letter as you prepare initiative 2022-058 for the people of Missouri to review. If you have any questions, please contact me any time at Chris@electionscience.org

Sincerely,

Chris Raleigh
Director of Campaigns & Advocacy

The State Auditor's office did not receive a response from **Adair County, Boone County, Callaway County, Cass County, Cole County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Joseph, the City of St. Louis, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, Malta Bend R-V School District, Mehlville School District, Wellsville-Middletown R-1 School District, State Technical College of Missouri, University of Missouri, St. Louis Community College, and the Clay County Board of Election Commissioners.**

Fiscal Note Summary

State and local governmental entities estimate no savings, one-time costs of at least \$2.1 million, and ongoing costs of at least \$90,000 each primary election, \$95,000 each general election, and \$60,000 for all other elections. There could also be additional costs for local government vacancy elections.